

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed a mixed trend across India today. MCX cotton spot price was lower at Rs.35,560/bale on Tuesday. ICE cotton futures closed red on Monday.

News: As of 26th Sept 2022, Gujrat Cotton sowing has reached 25,48.932 hectares for the 2022-23 season which is slightly higher compared to the previous season's sowing of 22,53,933 hectares. Cotton Arrivals have been delayed in Gujarat due to heavy rains. The prices for raw cotton have also fallen in the local market to Rs. 5,000-7,000 per candy during the last week.

North India Cotton arrival has been delayed during the last week due to heavy rainfalls. Spot rate was improved despite fall in future markets. Despite some rain predicted in cotton belt of central and southern India otherwise crop conditions looks quite good. Also, India is heading towards higher yield this year.

As of Sept. 23rd, 2022 Cotton sowing has reached 127.39 Lakh Ha. Vs 118.56 Lakh Ha. same period last year. Agriwatch expects overall the cotton sowing to reach 128 Lakh Ha. in 2022-23 season. Earlier, due to excess rainfall in July month cotton sowing was affected in central and southern India.

According to the First Advance Estimates for 2022-23, total foodgrain production in the country is estimated at 149.92 million tonnes which is higher by 6.98 million tonnes than the average foodgrain production of previous five years' (2016-17 to 2020-21). Cotton production is estimated at 34.19 million bales (of 170 kg each) for the 2022-23 season.

As of 21st Sept 2022, Andhra Pradesh Cotton sowing has reached 6.47 lakh hecatres for the 2022-23 season which is higher compared to the previous season's sowing of 4.93 lakh hecatres. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 544 mm across the state.

As of 21st Sept 2022, Telangana Cotton sowing has reached 4998082 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 4668057 acres. Average rainfall for the period from 01.06.2022 to 21.09.2022 has reached 1051 mm higher as compared to the previous season of 910 mm across the state.

Cotton Sowing (Lakh Hectares) As of 23 rd Sept 2022			
States	2021-22	2022-23	Difference
Andhra Pradesh	4.93	6.47	+1.54
Karnataka	6.43	8.21	+1.78
Gujarat	22.53	25.48	+2.95
Maharashtra	39.57	42.29	+2.72
Madhya Pradesh	6.0	5.99	-0.01
Rajasthan	6.28	6.83	+0.54
Punjab	2.54	2.48	-0.06
Haryana	6.88	6.50	-0.37
All India	118.56	127.39	8.83

Weather Forecast:

Heavy rainfall at isolated places over Odisha, Coastal Andhra Pradesh, Yanam, Telangana, Tamil Nadu, Pondicherry & Karaikal. Thunderstorms accompanied by lightning at isolated places over East Madhya Pradesh, Chhattisgarh, Jharkhand, West Bengal, Odisha, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh, Yanam, Telangana, Rayalaseema, Tamil Nadu, Pondicherry & Karikal.

International Fundamentals:

The ICE cotton Futures was lower by 417 points at 88.37 cents/lb. The Cotlook A index was lower at 114.85 cents/lb. The AWP for cotton was 88.88 cents/lb.

According to the U.S. Crop progress report, as of 26th Sep 2022, U.S cotton Cotton Bolls opening stands at 67 percent which is higher than that of the previous season (59 percent). In the previous week cotton bolls opening was 58 percent. Overall 4 percent of the U.S Cotton Crop is in excellent condition, 27 percent in good to a fair condition which was 28 percent in the previous week.

Cotton production in Pakistan has reached 2.19 million bales till 15th September 2022, which is around 19% lower from the previous season. The production has fallen mainly due to heavy rainfalls. As a result, Pakistan may import 5.5-6 million bales of cotton to overcome the shortfall in the 2022-23 season.

According to USDA, Cotton and product update report, global cotton production is estimated higher at 118.40 million bales, and stocks are projected higher this month. However, Consumption has slightly decreased to 118.60 million bales with lower projected use in Pakistan and Vietnam. Global trade is unchanged as higher U.S. exports more than offset lower Brazil shipments.

Northern New Cotton Crop:

Cotton Arrivals (Quintals)		
	Total Arrivals up to 26.09.22	27 th Sept'22
Punjab	6000	1000
Haryana	77500	5000
Lower Rajasthan	13500	3000
Ganga line	8000	4000
Net Total	105000	13000

Cotton Price (Rs./Quintal) as. of 27 th Sept'22	
	Ready Delivery
Punjab	7600-7625
Haryana	7600-7625
Ganga line	7225-7250

DOMESTIC PRICES AND ARRIVALS**Cotton Prices at Key Spot Markets:**

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	27-Sep-22	26-Sep-22	
Gujarat	Ahmedabad	Shankar-6	9000	9000	Unch
	Gondal	Shankar-6	9805	15755	-5950
	Rajkot	B.T. Cotton	9375	9375	Unch
	Patan	B.T. Cotton	9060	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	1570	1650	-80
	Dhrol	B.T. Cotton	9360	9340	20
Haryana	Bhiwani	B.T. Cotton	8750	9000	-250
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	9200	9150	50
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	8700	8950	-250
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	10200	10200	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	7700	7700	Unch
	Hathras	Desi	8000	8000	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	9456	9406	50
Karnataka	Bijapur	Bunny	8989	8949	40
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	9700	9750	-50

Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-Sep-22	26-Sep-22	
Punjab	Bhatinda	J-34	7625	7750	-125
	Abohar	J-34	7600	7700	-100
	Mansa	J-34	7600	7800	-200
Haryana	Sirsa	J-34	7600	7700	-100
Rajasthan	Sri-Ganganagar	J-34	7144	7050	94

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	27-Sep-22	26-Sep-22	
Gujarat	Ahmedabad	Shankar-6	11900	5100	6800
	Gondal	Shankar-6	9200	9200	Unch
	Rajkot	B.T. Cotton	750	750	Unch
	Patan	B.T. Cotton	1571	NA	-
	Kadi	B.T. Cotton	NA	NA	-
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	24	37	-13
Haryana	Bhiwani	B.T. Cotton	2000	3000	-1000
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	250	100	150
	Fatehabad	B.T. Cotton	NA	NA	-
	Jind	B.T. Cotton	NA	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NA	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	NA	-
	Rawatsar	B.T. Cotton	NA	NA	-
Madhya Pradesh	Khandwa	Mech-1	NA	NA	-
	Khargaon	Mech-1	NA	NA	-
Maharashtra	Amravati	Mech-1	1400	1400	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	60	60	Unch
	Hathras	Desi	5	5	Unch
Telangana	Adilabad	Un-Ginned	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	2716	3463	-747
Karnataka	Bijapur	Bunny	162	382	-220
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	18	12	6
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	27-Sep-22	26-Sep-22	
Punjab	Bhatinda	J-34	0	0	Unch
	Abohar	J-34	340	170	170
	Mansa	J-34	170	NA	-
Haryana	Sirsa	J-34	170	NA	-
Rajasthan	Sri-Ganganagar	J-34	200	250	-50

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	27-Sep-22	26-Sep-22	
Gujarat	Rajkot	Rs. /10 Kg.	1260	1280	-20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1270	1295	-25
Maharashtra	Mumbai	Rs. /10 Kg.	1275	1295	-20

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	27-Sep-22	26-Sep-22	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2420	2428	-8
Maharashtra	Akola	Rs./Qtl	2708	2723	-14

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	27-Sep-22	26-Sep-22	Change
CCIndex(328)	RMB/Ton	15501	15503	-2
CCIndex(527)	RMB/Ton	14059	14071	-12
CCIndex(229)	RMB/Ton	15930	15947	-17
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	27-Sep-22	26-Sep-22	Change
FC Index (S)	Cents/lb	109.91	114.04	-4.13
FC Index (M)	Cents/lb	108.46	112.6	-4.14
FC Index (L)	Cents/lb	107.13	111.26	-4.13

Cotlook Index:

Cotlook Indices	Unit	26-Sep-22	24-Sep-22	Change
A-Index	Cents/Pound	110.85	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		26-Sep-22	26-Sep-22	Bales
Southeast	cents/lb.	92.37	94.62	0
North Delta	cents/lb.	91.37	93.62	0
South Delta	cents/lb.	91.37	93.62	0
East TX-OK	cents/lb.	87.62	89.87	200
West Texas	cents/lb.	87.37	88.87	0
Desert SW	cents/lb.	86.37	88.62	0

SJ Valley

cents/lb.

86.87

95.77

0

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				26-Sep-22	24-Sep-22	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	52500	53000	-500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	53200	53700	-500
J-34(202)	26mm	3.5 - 4.9	23	70000	70000	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	72500	73000	-500
Shankar-6(105)	29mm	3.5 - 4.9	28	73500	74000	-500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	NA	NA	-
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	84000	85000	-1000

Daily Futures Price Listing Monday, Sept 26th 2022

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
22-Oct	220926	90.32	90.32	90.32	90.32	-4.17	46	18	-24
22-Dec	220926	92.5	93.74	88.24	88.37	-4.17	12,771	108,179	-548
22-Mar	220926	89.67	90.89	85.77	85.94	-3.73	5,020	50,227	471
23-May	220926	87.49	88.87	83.71	84.17	-3.32	1825	19,719	265
23-Jul	220926	84.97	86.05	81.5	81.64	-3.14	1699	12,687	45
23-Oct	220926	80.24	80.24	76.73	76.73	-3.51			
Total Volume and Open Interest							21,770	214,530	274

Source: MRCI

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